

RAPIDES CHILDREN'S ADVOCACY CENTER

Annual Financial Report

For the Year Ended December 31, 2001

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June 22, 2002

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Rapides Children's Advocacy Center

We have audited the accompanying statement of financial position of the Rapides Children's Advocacy Center (a non-profit organization) as of December 31, 2001, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Rapides Children's Advocacy Center as of December 31, 2001, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 22, 2002, on our consideration of the Rapides Children's Advocacy Center's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information referred to in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



ROZIER, HARRINGTON & McKAY
Certified Public Accountants

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Rapides Children's Advocacy Center

Statement of Financial Position

December 31, 2001

Assets

Current assets:

Cash and cash equivalents	\$ 215,675
Grants and pledges receivable	630,488
Other current assets	<u>259</u>

Total current assets 846,422

Fixed assets, net of accumulated depreciation 53,650

Total assets \$ 900,072

Liabilities and Net Assets

Current liabilities:

Accounts Payable	\$ 4,784
Other current liabilities	<u>7,202</u>

Total current liabilities 11,986

Net assets:

Unrestricted net assets:

Operating	217,052
Board designated - future facility acquisition	<u>125,625</u>
Total unrestricted net assets	342,677

Temporarily restricted 545,409

Total net assets 888,086

Total liabilities and net assets \$ 900,072

The accompanying notes are an integral part of the financial statements.

Rapides Children's Advocacy Center

Statement of Activities

For the Year Ended December 31, 2001

	Unrestricted	Temporarily Restricted	Total
<u>Revenue and Support:</u>			
Contributions	\$ 45,267	\$ -	\$ 45,267
Grants	24,208	460,666	484,874
Court cost	79,500	-	79,500
State Appropriation	-	125,000	125,000
Other income	7,801	-	7,801
Net assets released from restrictions	186,499	(186,499)	-
Total revenue and support	<u>343,275</u>	<u>399,167</u>	<u>742,442</u>
<u>Functional expenses:</u>			
Program services:			
Forensic Interviewing	144,052	-	144,052
CASA	149,993	-	149,993
Total program services	<u>294,045</u>	<u>-</u>	<u>294,045</u>
Supporting services:			
Management and General	60,132	-	60,132
Fund raising	3,410	-	3,410
Total supporting services	<u>63,542</u>	<u>-</u>	<u>63,542</u>
Total functional expenses	<u>357,587</u>	<u>-</u>	<u>357,587</u>
Increase (decrease) in net assets	<u>(14,312)</u>	<u>399,167</u>	<u>384,855</u>
Net assets, as previously reported, December 31, 2000	356,989	132,079	489,068
Prior Period Adjustment	<u>-</u>	<u>14,163</u>	<u>14,163</u>
Net assets, restated, December 31, 2000	<u>356,989</u>	<u>146,242</u>	<u>503,231</u>
Net assets - end of year	<u>\$ 342,677</u>	<u>\$ 545,409</u>	<u>\$ 888,086</u>

The accompanying notes are an integral part of the financial statements.

Rapides Children's Advocacy Center

Statement of Functional Expenses For the Year Ended December 31, 2001

	Program Services			Supporting Services			Total Expenses
	Forensic Interviewing	CASA	Total	Management and General	Fund Raising	Total	
Advertising	\$ -	\$ -	\$ -	\$ 2,747	\$ -	\$ 2,747	\$ 2,747
Depreciation	9,750	11,457	21,207	3,169	-	3,169	24,376
Insurance	4,931	4,848	9,779	1,868	-	1,868	11,647
Other	552	748	1,300	6,446	3,410	9,856	11,156
Payroll taxes and benefits	7,708	5,574	13,282	7,273	-	7,273	20,555
Professional services	4,041	5,398	9,439	1,313	-	1,313	10,752
Rent	-	4,500	4,500	-	-	-	4,500
Salaries and wages	92,277	109,153	201,430	29,442	-	29,442	230,872
Supplies	3,893	3,966	7,859	2,360	-	2,360	10,219
Telephone and utilities	4,913	575	5,488	5,221	-	5,221	10,709
Travel and education	15,987	3,774	19,761	293	-	293	20,054
Total expenses	\$ 144,052	\$ 149,993	\$ 294,045	\$ 60,132	\$ 3,410	\$ 63,542	\$ 357,587

The accompanying notes are an integral part of the financial statements.

Rapides Children's Advocacy Center

Statement of Cash Flows

For the Year Ended December 31, 2001

Cash flows from operating activities:

Change in net assets	\$ 384,855
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:	
Depreciation	24,376
Change in operating assets and liabilities:	
(Increase) decrease in grants and pledges receivable	(425,162)
Increase (decrease) in Accounts Payable	4,784
Increase (decrease) in other current liabilities	707
Net cash provided (used) by operating activities	<u>(10,440)</u>

Cash flows from investing activities:

Purchase of fixed assets	<u>(33,122)</u>
Net cash provided (used) by investing activities	<u>(33,122)</u>

Net increase (decrease) in cash and cash equivalents	(43,562)
Cash and cash equivalents - beginning of year	<u>259,237</u>

Cash and cash equivalents - end of year	<u>\$ 215,675</u>
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Supplemental Data:

For the year ended December 31, 2001, there were no cash payments for interest or income taxes. Furthermore, there were no significant noncash investing or financing activities during the year.

The accompanying notes are an integral part of the financial statements.

RAPIDES CHILDREN'S ADVOCACY CENTER

Notes to Financial Statements

December 31, 2001

Note 1 – Summary of Significant Accounting Policies:

Organization:

The Rapides Children's Advocacy Center (the Center) is a non profit organization which utilizes an interagency approach to the investigation, prosecution and treatment of child sexual and physical abuse. The mission of the Center is to lessen the trauma experienced by child abuse victims as allegations are investigated and to provide support for the child victim in any resulting proceeding within the criminal justice system. Program activities conducted in pursuit of this mission are described as follows:

Forensic Interviewing – Child protection and law enforcement agencies refer children to the Center for confidential interviews regarding reports of child abuse. The interviews are conducted by specially trained professionals in a homelike setting. Interviews are recorded on videotape while making every effort to help the child feel safe, comfortable and supported.

CASA - Court Appointed Special Advocates (CASAs) are trained community volunteers appointed by the judge to represent the interests of abused and neglected children. CASAs conduct an independent investigation for the purposes of providing the court with objective recommendations regarding the child's best interest. The Center recruits, screens and trains CASA volunteers.

Basis of Presentation:

The financial statements have been prepared on the accrual basis in conformity with generally accepted accounting principles. Preparation of financial statements in conformity with generally accepted accounting principles requires certain estimates and assumptions that affect reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

As required by Statement of Financial Accounting Standards (SFAS) No. 117, net assets and activities are classified in the following manner:

Unrestricted – Net assets that are not subject to significant donor imposed restrictions.

Temporarily Restricted – Net assets subject to certain donor imposed restrictions and restrictions imposed by grant agreements. Temporary restrictions apply when the restriction can be fulfilled by actions of the Center or by the passage of time.

Permanently Restricted – Net assets subject to donor imposed restrictions that require these assets to be maintained in a perpetual manner.

Income Taxes:

The Center is a not-for-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Furthermore, the Center is not classified as a "private foundation" by the Internal Revenue Service.

RAPIDES CHILDREN'S ADVOCACY CENTER

Notes to Financial Statements

December 31, 2001

Promises to Give:

As required by generally accepted accounting principles, unconditional promises to give are reported as revenue when the promise is made. Conditional promises to give are recognized as revenue when the necessary conditions are fulfilled.

Cash and Cash Equivalents:

Cash and cash equivalents represent bank deposits and highly liquid investments with original maturities of three months or less.

Fixed Assets:

Fixed assets are recorded at cost on the date of acquisition. Donated property is recorded at the estimated fair value upon receipt. Depreciation is computed using accelerated methods over estimated useful lives ranging from 5 to 8 years.

Assets donated with explicit restrictions regarding their use and contributions of cash earmarked to acquire property and equipment are reported as temporarily restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Center reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Center reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Donated Services:

Volunteers are utilized extensively for both program and supporting services. Contributed services are recognized if the services require specialized skills and the Center would be required to purchase these services if donated services were not available. None of the contributed services received during the year ended December 31, 2001 were recognized as revenue.

Compensated Absences:

Employees are allowed to accumulate and carry over a maximum of 40 hours of vacation time per year. Actual amounts carried over were immaterial at December 31, 2001.

Advertising:

The Center's advertising programs are not considered to have any significant benefits for future periods. Accordingly, advertising costs are expensed as incurred.

Note 2 – Grants and Pledges Receivable:

Grants and pledges receivable consisted entirely of unconditional promises to give. Details regarding the amount reported on the Statement of Financial Position are provided as follows:

Grants	\$ 466,252
Court cost	39,236
State Appropriation	125,000
<u>Total</u>	<u>\$ 630,488</u>

RAPIDES CHILDREN'S ADVOCACY CENTER

Notes to Financial Statements ***December 31, 2001***

Grants and pledges are considered entirely collectible and there is no allowance for doubtful accounts. Furthermore, the entire balance is considered collectible with one year.

Note 3 – Fixed Assets:

Details regarding fixed assets utilized by the Center are presented as follows:

Furniture, fixtures and equipment	\$124,448
Leasehold improvements	87,797
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Total fixed assets	212,245
Accumulated depreciation	(158,595)
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Fixed assets net of accumulated depreciation	\$ 53,650

Note 4 – Temporarily Restricted Net Assets:

The unexpended portion of various grants has been classified as temporarily restricted due to restrictions imposed by various grantors.

Note 5 – Concentration of Credit Risk:

At December 31, 2001, funds on deposit with various financial institutions exceeded available Federal Deposit Insurance Coverage by approximately \$128,591.

Note 6 – Prior Period Adjustment:

Accounts Receivable were previously understated by \$14,163. As a result, fund balances have been adjusted accordingly.

Note 7 – Building Lease:

The Rapides Children's Advocacy Center began leasing the building located at 2004 Jackson Street, Alexandria, La, in November, 2001. The original lease was for six months with a monthly rent of \$1,500 monthly, with a renewal option of six additional months with a monthly rental \$1,850. The lease includes a option to purchase the property for a sum of \$159,900 and states that all rents being paid prior to the purchase date would be applied to the purchase price.

Rapides Children's Advocacy Center

Statement of Activities

I.O.L.T.A - Grant

For the Year Ended December 31, 2001

I.O.L.T.A. - grant revenue	\$ 11,500
<u>Expenses:</u>	
Personnel	
Executive	10,000
Administrative	<u>5,000</u>
Total Expenses	<u>15,000</u>
Increase (decrease) in net assets	(3,500)
Net Assets - Beginning of Year	<u>15,000</u>
Net Assets - End of Year	<u>\$ 11,500</u>

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June 22, 2002

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Rapides Children's Advocacy Center

We have audited the financial statements of the Rapides Children's Advocacy Center, as of and for the year ended December 31, 2001, and have issued our report thereon dated June 22, 2002. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Rapides Children's Advocacy Center's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Rapides Children's Advocacy Center's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management. However, this report is a matter of public record and its distribution is not limited.



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RAPIDES CHILDREN'S ADVOCACY CENTER

Summary of Findings and Questioned Cost For the Year Ended December 31, 2001

We were engaged to audit the financial statements of the Rapides Children's Advocacy Center as of and for the year ended December 31, 2001, and have issued our report thereon dated June 22, 2002. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our report expresses a unqualified opinion on the financial statements for the year ending December 31, 2001.

Section I - Summary of Auditor's Results:

a. The report on internal control and compliance material to the financial statements reported the following items:

- Internal Control – There were no reportable conditions.
- Compliance – No noncompliance that is material to the financial statements.

b. Federal Awards:

- N/A - Federal Awards received during the year ended December 31, 2001 were not sufficient in amount to require a Single Audit.

c. Identification of Major Programs:

- N/A – There are no major programs for the year ended December 31, 2001.

Section II - Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards:

- None.

Section III - Findings and Questioned Costs for Federal Awards Which Shall Include Audit Findings as Defined by OMB Circular A-133:

- None.

RAPIDES CHILDREN'S ADVOCACY CENTER

Management's Corrective Action Plan For the Year Ended December 31, 2001

<u>SECTION I</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
N/A – No findings of this nature were reported.	Response – N/A
<u>SECTION II</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
N/A – No findings of this nature were reported.	Response – N/A
<u>SECTION III</u> MANAGEMENT LETTER	
N/A – No management letter was issued with this report.	Response – N/A

RAPIDES CHILDREN'S ADVOCACY CENTER

Summary of Prior Year Findings and Questioned Cost For the Year Ended December 31, 2001

<u>SECTION I</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
N/A – No findings of this nature were reported.	Response – N/A
<u>SECTION II</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
N/A – No findings of this nature were reported.	Response – N/A
<u>SECTION III</u> MANAGEMENT LETTER	
N/A – No management letter was issued with this report	Response – N/A